

RESOLUTION # 186

NEGC RESOLUTION ON ENERGY POLICY

WHEREAS, the United States was self sufficient in energy until the late 1950s and in 2007 net imported energy accounted for 29 percent of all energy consumed; and

WHEREAS, in 2007 the United States consumed over 20 million barrels of oil per day, of which over 13 million barrels was imported, and the nominal price for crude oil has increased from \$30 a barrel in 2000 to over \$100 a barrel in 2008; and

WHEREAS, in 2007 the United States consumed 23.1 trillion cubic feet of natural gas, of which 30 percent was consumed by the electric power sector; and

WHEREAS, in 2007 the United States consumed approximately 1.15 billion tons of coal, of which 93 percent was consumed by the electric power sector; and

WHEREAS, in 2007 fossil fuels accounted for 72 percent of net electric generation in the United States and renewable energy sources accounted for only 8 percent of net electric generation, with 71 percent of renewables derived from conventional hydroelectric power; and

WHEREAS, total carbon dioxide emissions from the combustion of fossil fuels in the United States in 2006 totaled 6 billion metric tons, 18 percent higher than in 1990; and

WHEREAS, in New England overall annual electric usage increased by 8.8 percent between 2000 and 2007, while the average retail price for electricity increased from 9.6 cents per kWh in 2000 to 15.1 cents per kWh in April 2008, an increase of 56 percent; and

WHEREAS, external forces such as growing energy demand in China and India, and political instability in the Middle East, Nigeria and Venezuela increase price volatility for an ultimately scarce resource; and

WHEREAS, the absence of a comprehensive and coordinated national energy policy threatens our security, our economy and our environment; and

WHEREAS, the path to energy security, economic vitality and environmental sustainability requires firm steps and long strides towards aggressive goals for energy efficiency and alternative energy;

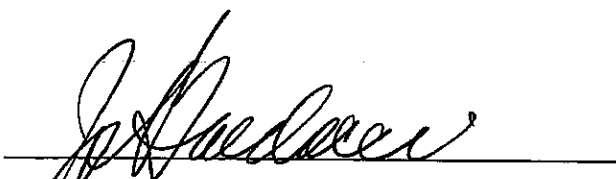
NOW THEREFORE BE IT RESOLVED THAT we commit to the National Action Plan for Energy Efficiency devised by the U.S. Department of Energy and the Environmental Protection Agency and agree to:

- Recognize energy conservation and efficiency as our highest priority energy resource;
- Make a strong, long-term commitment to implement cost-effective energy efficiency as a resource;
- Broadly communicate the benefits of and opportunities for energy conservation and efficiency;
- Promote sufficient, timely, and stable program funding to deliver energy efficiency where cost-effective; and
- Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency investments.

We shall strenuously promote measures such as renewable portfolio standards, environmentally sustainable renewable fuel standards, renewable energy credits and carbon reduction programs in order to reduce our dependence on fossil fuels and unstable supplies.

We continue to support strongly the development of renewable power generation and cost-effective transmission within New England and adjacent areas. We recognize as well that cost-effective renewable resources that are distant from load centers are likely to play an important role in addressing our region's future energy and environmental challenges, and the New England states should work together to review and understand such opportunities. Accordingly, we commit to cooperate as a region to resolve any differences that may exist among us that would impede the development of cost-effective renewable resources.

**Adopted at the meeting of the New England Governors' Conference, Inc.
in Bar Harbor, Maine on September 16, 2008.**



John E. Baldacci
Governor of Maine
Chair